GOVERNMENT OF INDIA
AGRICULTURE
LOK SABHA

UNSTARRED QUESTION NO:4531
ANSWERED ON:18.12.2000
IRREGULARITIES IN UTILISING THE DROUGHT RELIEF FUND BY STATE GOVERNMENTS
GANTA SRINIVASA RAO

Will the Minister of AGRICULTURE be pleased to state:

(a) whether the Comptroller and Auditor General of India (CAG) has found several irregularities in the utilization of drought relief funds by various State Governments;

(b) if so, the details of the findings; and

(c) the steps proposed to be taken to ensure that relief funds are not misused in future?

Answer

MINISTER OF STATE IN THE MINISTRY OF AGRICULTURE (SHRI SHRIPAD Y. NAIK)

(a) The Comptroller and Auditor General of India (C&AG) in its Report No.3 of 1999 (for the year ended March, 1998) has pointed out certain irregularities in the operation of Calamity Relief Fund (CRF), for natural calamities including drought, by various State Governments.

(b) The C&AG Report indicates diversion of funds out of CRF, non setting-up of separate CRF, non separation of CRF from general revenues, violation of investment and expenditure norms, expenditure in excess of norms, retention of funds with executing agencies, outstanding utilisation certificates, deficiencies in cash book and instances of alleged misappropriation etc.

(c) The observations have been brought to the notice of the State Governments concerned and they have been requested to take corrective measures. Department of Agriculture & Cooperation has again emphasised the need for observing the scheme of CRF and guidelines issued thereunder for being followed scrupulously by the State to avoid recurrence of such instances. The States have taken up necessary corrective action.